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SIPDIS

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COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: <u>OPRC KMDR</u> <u>IS</u>

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

11. PM Olmert's Performance

¶2. Mideast

Key stories in the media:

Ha'aretz reported that, in a high-level defense consultation on Wednesday, PM Ehud Olmert decided that Israel will avoid a broad

military response to the Hamas rocket barrage on Tuesday, Independence Day. The scope of offensive action could expand but no broad ground offensive into Gaza territory was approved. The consultation focused on developing policy and not on developing a target list. Major media quoted sources in Jerusalem as saying that if Hamas activity against Israel escalates, broader military action in the Gaza Strip will be reconsidered. This morning Israel Radio cited Al Arabiya-TV as saying that the Egyptian delegation in Gaza informed senior Israeli officials that on Wednesday most Palestinian factions pledged to resume the truce with Israel if the latter desists from activity against the Palestinians. The Jerusalem Post quoted PA officials as saying on Wednesday that Egypt has threatened to cut off its relations with Hamas unless the movement halts its rocket attacks on Israel. Media cited threats by Palestinian factions of a strong response to a possible large-scale IDF operation in the Gaza Strip. The media reported that Israel lodged a complaint with the UN about the rocket launchings. Israel's Permanent Representative to the UN Dan Gillerman was quoted as saying in an interview with Israel Radio that Israel's restraint should not be construed as its acceptance of rocket firing from the Gaza Strip. Gillerman was further quoted as saying that Israel will continue its contacts with PA Chairman [President] Mahmoud Abbas but that it will fight Hamas as if there were no Abbas. This morning Israel Radio reported that a Qassam rocket was launched at Israel and cited the Popular Resistance Committees as saying that it shot two rockets into Israel.

Ha'aretz printed an AP wire report quoted Olmert as saying on Wednesday that he hopes that the threat of the Iranian nuclear program can be resolved without military involvement. Speaking in Jerusalem to Jewish activists in New York, he said the threat of Iran's President to destroy Israel is not something that can be tolerated. Olmert praised President Bush for his efforts to prevent Iran from acquiring nuclear weapons.

The Jerusalem Post cited the Prime Minister's Office as saying that on Wednesday PM Olmert told a visiting delegation of AIPAC donors that Israel does not interfere in the internal US debate over the US involvement in Iraq. The Jerusalem Post quoted Olmert as saying that a strong America is a guarantee against the Iranian threat. He thanked the delegation, which also held a separate meeting on Wednesday with FM Tzipi Livni, for AIPAC's efforts on behalf of Israel across the US political spectrum.

Yediot quoted Under Secretary of State for Political Affairs Nicholas Burns as saying during a private event at Harvard University that Iran is helping the US. Burns explained that Iranian President Mahmoud Ahmadinejad's behavior has even moved Russia to the side of the Western powers. The Jerusalem Post quoted Democratic presidential candidate and New York Senator Hillary Clinton as saying on Tuesday in a speech to the National Jewish Democratic Council that it might be necessary for America to confront Iran militarily, addressing that possibility more directly than any of the other presidential candidates who spoke this week to the council. Israel Radio reported that today the official Iranian news agency IRNA quoted Mohammad Baqer Zolghadr, Iran's Deputy Interior Minister in Security Affairs., as saying that Iran will strike US interests around the world and Israel if attacked over its disputed nuclear program. "Nowhere would be safe for America with (Iran's) long-range missiles ... we can fire tens of thousands of missiles every day," Zolghadr was quoted as saying. "With long-range missiles Iran can also threaten Israel as America's ally," he added.

Leading media reported that the Winograd Commission is set to submit its interim findings on the Second Lebanon War to the PM and the Defense Minister on Monday. The Jerusalem Post said that an English-language version will also be made available. Leading media quoted OC Northern Command, Maj. Gen. Gadi Eizenkot, as saying on Wednesday that the IDF embarked on the war even though it was apparent that the conflict would not return the two IDF soldiers whose kidnapping by Hizbullah sparked the hostilities.

All media led with developments in the so-called "Silicate affair." The media reported that on Wednesday State Comptroller Micha Lindenstrauss informed Attorney-General Menachem Mazuz that Olmert may have been guilty of criminal behavior by taking an active part in a decision by the Trade Industry's Investment Center to provide a

USD 10-million grant to a company represented by his close friend, former partner and personal lawyer, Uriel Messer. The letter to Mazuz came in the wake of a 30-page report released on the same day entitled "Conflict of Interests on the Part of the Minister of Commerce and Industry." The decision to provide the grant to the company represented by Messer was made under the previous government, when Olmert served as minister of trade and industry. Ha'aretz quoted senior officials at the Justice Ministry as saying privately in recent weeks that it seems that a criminal investigation against Olmert in the case is inevitable. reported that  ${\tt Mazuz}$  is soon likely to order a criminal investigation against Olmert over suspicions of fraud and breach of trust. In response to the State Comptroller's report, Olmert said, "he acted in accordance with his public responsibilities and prevented a great injustice which could have been caused to an entrepreneur whose only request was to build a factory in Dimona. Former Supreme Court President Meir Shamgar ruled in favor of the entrepreneur and the feet-dragging of the Investment Center led to a situation in which the entrepreneur's application was not handled." Olmert was further quoted as saying he had "no doubt that this 'affair,' like all the others under investigation by the comptroller will end in nothing and evaporate like foam on water.

All media reported that the GOI suspects former Balad MK Azmi Bishara of providing assistance to an enemy in time of war, passing on information to the enemy, contact with a foreign agent, money-laundering violations and other crimes, according to a decision handed down Wednesday by the Petah Tikva Magistrate's Court. According to the court's decision, Bishara is suspected of carrying out some of the alleged crimes during the Second Lebanon War. The court ruled that investigators have collected evidence that "confirms the prima facie suspicions that he committed the crimes mentioned above, including receiving substantial sums of money from abroad that were handed over in person to Bishara while he was a Knesset member." The Jerusalem Post quoted police as saying they had evidence upon which to base their claims, including proof that Bishara received "significant amounts of money originating overseas." The media reported that Bishara accused Israel of trying to frame him. Israel Radio quoted police as saying that Bishara will be arrested upon returning to Israel, and that Bishara's supporters will come around when they hear evidence that his conduct was motivated by greed rather than ideology.

Ha'aretz reported that the Foreign Ministry is currently considering increasing Israel's humanitarian assistance to refugees fro the Darfur region of Sudan.

The Jerusalem Post reported that today Aavaz.org, a global civic advocacy group, will place in Jerusalem mock billboards advertising travel to Saudi Arabia as part of "Real Peace Talks Now," a campaign to get Israeli, Palestinian, and international leaders to start full negotiations before June 5, which marks the 40th anniversary of the 1967 Six Day War.

Ha'aretz and Israel Radio reported that Defense Minister Amir Peretz's bureau has informed the Association for Civil Rights in Israel that restrictions blocking Palestinians from entering the Jordan Valley will be lifted in May.

Makor Rishon-Hatzofe quoted EU envoy Louis Michel as saying on Wednesday that Israel must take expanded easing measures for the Palestinians. The Jerusalem Post quoted Ben-Gurion University economist Prof. Avia Spivak as saying at a conference held earlier this month in Jerusalem that Israel's lack of acceptance to the EU may be political.

Makor Rishon-Hatzofe cited a claim by Fatah's Al-Aqsa Martyrs Brigades that the assassination of physician Dr. David Niv around six weeks ago was a mistake, and that the real target was a Knesset member.

Maariv reported that the state had promised evacuees from Gush Katif (Gaza Strip) land that it did not own.

Maariv reported that the International Christian Embassy, a pro-Zionist lobby, is endeavoring to trace one million Jews across Russia, whom Jewish Agency representatives will try to convince to immigrate to Israel.

The Jerusalem Post cited a statement issued by Olmert's bureau, which praised the later Russian president Boris Yeltsin's treatment of Jews and his relations with Israel.

Major media reported that in a Namibian court on Wednesday, the lawyers of Kobi Alexander, founder of the Israeli hi-tech company Comverse, again succeeded in delaying his extradition to the US.

Leading media reported that journalist and novelist Hezi Carmel passed away on Sunday at age 71. Carmel was appointed consul-general in Los Angeles in 1970.

# 11. PM Olmert's Performance:

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# Summary:

Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz: "On Monday, Prime Minister Ehud Olmert will embark on his fight for survival -- a lone gladiator against the Winograd Commission."

## Block Quotes:

"Fight For Survival"

Diplomatic correspondent Aluf Benn wrote on page one of the independent, left-leaning Ha'aretz (4/26): "On Monday, Prime Minister Ehud Olmert will embark on his fight for survival -- a lone gladiator against the Winograd Commission. The apparent conclusions are as follows: Olmert will be severely criticized in the committee's interim report on the Second Lebanon War. There will be a detailed analysis of the day on which the decision was made to go to war, July 12, and it will focus on the prime minister's decision-making. Defense Minister Amir Peretz is expected to suffer fewer blows than Olmert because his impact and involvement in the war's conduct was minimal. Their predecessors in the six years since Israel's withdrawal from southern Lebanon will emerge with minor damage. This is good news for Ehud Barak and Shaul Mofaz, whose political ambitions are still very much alive.... [Olmert's] Independence Day interviews to Army Radio and Israel Radio were characterized by avoiding questions and clashing with interviewers. His main argument, which he is sure to reiterate after the report is issued, is that all the ministers and nearly all the Knesset members were enthusiastically behind the war. It is difficult to believe that they will all stand by him on Monday."

# <u>¶</u>2. Mideast:

## Summary:

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The conservative, independent Jerusalem Post editorialized: "Egyptian negligence and Syrian malfeasance lead to the same result: terrorist groups arming to the hilt in preparation for precipitating the next war."

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz: "The public should not be deceived into thinking that there is a way to control the Golan for free."

#### Block Quotes:

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## ¶I. "Stopping Hamas"

The conservative, independent Jerusalem Post editorialized (4/26): "There are four steps that should be taken before launching [a large-scale] operation [in the Gaza Strip]. The first step is to end the policy of military restraint that has been in place since the supposed cease fire began... There should be no unilateral Israeli cease fire. Second, Israel should consider non-violent

sanctions against the Palestinian Authority.... Third, the pro forma protest that Israel has issued to the UN is not enough.... Fourth, Israel must launch a campaign to compel Egypt to carry out its most basic responsibility as a sovereign nation that claims to seek peace: stopping the flow of weapons across its own border to Hamas. The UN has just belatedly voted to investigate Syrian support for Hizbullah, which is a violation of Security Council Resolution 1701.

Everyone knows that Syria is a rogue regime that supports terrorism with impunity against Israel and in Lebanon and Iraq. Egypt, by contrast, is supposed to be at peace with Israel and aspires to the image of a constructive regional player. Yet Egyptian negligence and Syrian malfeasance lead to the same result: terrorist groups arming to the hilt in preparation for precipitating the next war. If there is another war soon, the first question the subsequent commission of inquiry will ask is: Why did the government not put more pressure on Egypt to prevent Hamas from arming? It is late, but not too late, to ask this question now, and more importantly, to answer it with appropriate action."

### II. "Dangerous Delusion on the Golan"

Diplomatic correspondent Aluf Benn wrote in the independent, left-leaning Ha'aretz (4/26): "There is a new idea dominating public discourse: Israel will recognize Syrian sovereignty over the Golan Heights and hold the territory under a long-term lease agreement... Those in the know and who are familiar with the detailed history of the negotiations with Syria say Damascus will not agree to such a proposal... In the Golan it is possible to have a 'luxury' occupation, without roadblocks and world condemnation, mostly because Syria lacks the international supporters that the Palestinians have. It is possible and necessary to debate whether the risk is reasonable when compared with the return, but the public should not be deceived into thinking that there is a way to control the Golan for free -- certainly not when the war drums are sounded on both sides of the line on the Golan."

**JONES**